

ORIGINAL

NEW APPLICATION

Gonzalez Utility Services, LLC.
P.O. Box 86205
Phoenix, Arizona 85080



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RECEIVED

2016 APR 28 P 1:12

AZ CORP COMMISSION
DOCKET CONTROL

April 26, 2016

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

W-20940A-16-0140
W-02211A-16-0140

Attached is an application by Gonzalez Utility Services, LLC. (Carol Gonzalez) for the approval of the Sale of Assets and Transfer of Certificate of Convenience and Necessity for Loma Linda Water Company.

Arizona Corporation Commission

DOCKETED

APR 28 2016

DOCKETED BY	
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Carol Gonzalez

ARIZONA CORPORATION COMMISSION

**APPLICATION FOR APPROVAL OF THE SALE OF ASSETS AND/OR TRANSFER OF
CERTIFICATE OF CONVENIENCE AND NECESSITY**

WATER AND/OR SEWER

A. The name, address and telephone number of the Transferor (Company) is:

Loma Linda Estates, Inc 928 428 5420
Bryan Barney, Pres
P.O. Box 967, Thatcher, AZ 85552

B. If doing business under a name other than the Transferor (Company) name, specify:

Loma Linda Water Company

C. The Transferor is a:

<input type="checkbox"/> Corporation: <input checked="" type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Partnership <input type="checkbox"/> Limited, <input type="checkbox"/> General <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Specify)	

D. List the name, address and telephone number of the attorney for the Transferor.

N/A

E. List the name, address and telephone number of management contact:

Bevan Barney
P.O. Box 967, Thatcher AZ 85552
928-428-5420

F. The name, address and telephone number of the Transferee (Company) is:

Gonzalez Utility Services, LLC.
P.O. Box 86205
Phoenix, AZ 85080 520 405 0876

G. If doing business under a name other than the Transferee (Company) name, specify:

Loma Linda Water Company

H. List the name, address and telephone number of the attorney for the Transferee.

N/A

I. List the name, address and telephone number of management contact:

Carol Gonzalez
P.O. Box 86205, Phoenix, AZ 85080
520-405-0876

J. (Transferee) List the name, address and telephone number of the on-site manager of the utility:

K. (Transferee) List the name, address and telephone number of the certified operator as authorized by the Arizona Department of Environmental Quality:

Rebecca Schater

4622 W. Wagoner Rd

Glendale, AZ 85308

623 302 1642

L. The Transferee is a:

<input type="checkbox"/> Corporation: <input type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Partnership <input type="checkbox"/> Limited, <input type="checkbox"/> General <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Specify)	

M. If Transferee is a corporation:

1. List names of Officers and Directors:

Officers

Directors

N/A

2. Indicate the number of shares of stock authorized to issue:

N/A

3. If stock has been issued, indicate the number of shares issued and the date of issue:

N/A

N. If Transferee is a partnership:

1. List the names of general partners:

N/A

2. List name, address and telephone number of managing partner:

N/A

◆ If Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" with the Arizona Secretary of State

O. If Transferee is a sole proprietor, list name, address and telephone number of individual:

N/A

P. Have all customer security deposits been refunded? Yes ___ No X. If no, mark the block below which describes the proposed disposition of security deposits.

___ All security deposits will be refunded at time of closing.

X All security deposits will be transferred to the Transferee.

___ Other (explain).

Q. Are there any refunds due on Main Extension Agreements? Yes ___ No X. If Yes, mark the block below which describes the proposed disposition of the refunds.

___ Transferor will continue to refund after the transfer.

___ Transferee will assume the refunding obligations.

___ A full refund will be made at closing by Transferor.

___ Other (explain).

R. (WATER ONLY) Are there any refunds due on meter and service line installations?

Yes ___ No X. If Yes, mark the block below that describes the proposed disposition of refunds.

___ Transferor will continue to refund after the transfer.

___ Transferee will assume the refunding obligations.

___ A full refund will be made at closing by Transferor.

___ Other (explain).

S. (Transferee) Attach the following exhibit(s):

1. Copy of bill of sale, purchase contract or other instrument, which conveys the assets to the transferee.
2. Articles of Incorporation (if corporation)
3. By-Laws (if corporation)
4. Certificate of Good Standing (if corporation)
5. Articles of Partnership (if partnership)
6. Articles of Organization (if limited liability company)
7. Corporate Resolution if required by Articles of Incorporation
8. Attach a copy of the transfer of City or County Franchise from the Transferor to Transferee.

T. List names and addresses of any other public utility interest Transferee has:

1. Carter Water Company
2. Lyn Lee Water Company

U. Indicate the date that notice of the application was sent, or will be sent to the customers.

April 1, 2016.

DATED the 18th day of April, 20 16

(Signature of Authorized Representative of Transferor)

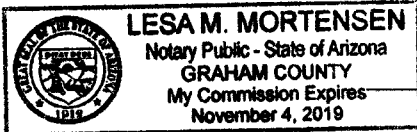
Bevan Barney, Pres.

(Type Name Here)

BEVAN BARNEY

(Title)

SUBSCRIBED AND SWORN to before me on this 18th day of April 20 16



Lesa m. mortensen

NOTARY PUBLIC

My Commission Expires 11/4/19

Carol Gonzalez

(Signature of Authorized Representative of Transferee)

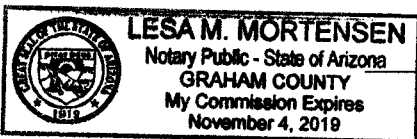
Carol Gonzalez

(Type Name Here)

President

(Title)

SUBSCRIBED AND SWORN to before me on this 18th day of April 20 16



Lesa m. mortensen

NOTARY PUBLIC

My Commission Expires 11/4/19

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, That Loma Linda Estates, Inc. of Thatcher in the County of Graham and State of Arizona, party of the first part, in consideration of one dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, and of other good and valuable consideration, does by these presents sell transfer and deliver to Gonzalez Utility Services, LLC. of Phoenix in the County of Maricopa and State of Arizona the following described personal property, to wit:

Loma Linda Water Company, consisting of wells, pipelines, storage, franchise, and equipment, customers, as described in Attachment A of Asset Purchase Agreement between the parties.

title to said property to remain in first party or assigns according to conditional sale note or chattel mortgage covering said property executed by second party to first party; first party hereby covenants that he is the lawful owner of the above described personal property, that he has good right to sell the same, and that he will warrant and defend the same against all legal claims and demands except the rights of N/A under the above stated conditional sale note (or chattel mortgage).

IN WITNESS WHEREOF, said first party has hereunto set his hand the 18th day of April, A.D. 2014

Steven F. Fournier, President
Carol Gonzalez, President

IN PRESENCE OF:

Walter Barney

ASSET PURCHASE AGREEMENT

THIS AGREEMENT made this 31 st day of March, 2016, by and between Loma Linda Estates, Inc. (Seller), Gonzalez Utility Services, LLC. (Purchaser).

WITNESETH:

In consideration of the mutual covenants hereinafter contained, it is hereby agreed by and between the parties hereto as follows:

1. Seller shall sell and Purchaser shall purchase, free and clear of all liens, encumbrances and liabilities, those assets of Seller's business, commonly known as Loma Linda Water Company , consisting of Wells, Pipelines, Storage, Franchise, and equipment, all of which are more fully described and enumerated in Schedule A which is attached hereto and by this reference made a part hereof.
 2. Purchaser shall pay the Seller as the purchase price for the foregoing the sum of One Hundred and Thirty Thousand DOLLARS. The sum of Thirty Thousand Dollars is due at closing. Seller will carry the balance of the loan, \$100,000.00 with the interest rate of 5%, payment being calculated at \$1887.12 per month for a 5 year term, evidenced by an Installment Note attached to and hereby made a part of this agreement.
 3. Seller shall sell, assign, transfer, and convey to Purchaser the assets, free of all liabilities.
 4. All equipment included in the sale shall be in good working condition at the time of sale. Purchaser shall accept the assets "as is" without warranty as to their condition and operation. Seller will Warrant the well pump 55-626-303 for a term of one year.
 5. The actions to be taken by the parties hereto to close the transaction as provided shall take place on or before March 31, 2016 at the office of Interstate Electronics, Inc., 3776 Main Street, Thatcher, AZ 85552 hereinafter referred to as the ("Closing Date"). At the closing, Seller shall deliver to Purchaser possession of the assets, and good and sufficient instruments of transfer, conveying and transferring the assets to Purchaser. Such delivery shall be made against payment and delivery to the Seller of the price as set forth herein above. The instruments of transfer shall contain covenants and warranties that Seller has good and marketable title in and to the assets. Seller shall indemnify and hold harmless Purchaser from any and all claims of its creditors and such assets shall transfer to Purchaser, free and clear of all liens and encumbrances.
- All representations and warranties made by Seller shall survive the Closing.

6. Seller covenants, warrants and represents:

- (a) He or She is not presently involved in any activity or outstanding dispute with any taxing authority as to the amount of any property taxes due, nor has he/she received any notice of any deficiency, credit or other indication of deficiency from any taxing authority.
- (b) He or She is the owner of and has good and marketable title to all of the assets enumerated in the attached Exhibit A, free from all encumbrances, except --none.

7. Seller hereby assumes all risk of loss, damage or destruction resulting from fire or other casualty to the time of transfer of assets and Closing.

8. This Agreement shall be binding upon the personal representatives, successors and assignees of the parties. This Agreement and any accompanying instruments and documents include the entire transaction between the parties and there are no representations, warranties, covenants or conditions, except those specified herein or in accompanying instruments and documents.

9. All covenants, warranties and representations herein shall survive this Agreement and the Closing Date.

10. This Agreement shall be governed in all respects by the laws of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, the date and place first above written.

Loma Linda Estates, Inc.

Seller

Devan Barry, President 4/18/2014

Gonzalez Utility Services, LLC

Purchaser

Carl Gonzalez, President 4/18/14

ARTICLES OF ORGANIZATION

04227080

NOV 18 2013

OF

GONZALEZ UTILITY SERVICES, LLC

FILE NO. LI8865603

1. **Name.** The name of the limited liability company is **Gonzalez Utility Services, LLC**
2. **Known Place of Business.** The address of the known place of business of this limited liability company is **1261 E. Live Oak Dr., Nogales, AZ 85621**
3. **Statutory Agent.** The name and business address of the initial agent for service of process for this limited liability company is **Carol Gonzalez, 1261 E. Live Oak Dr., Nogales, AZ 85621**
4. **Dissolution:** The limited liability company is perpetual.
5. **Form of Management.** Management of the limited liability company is vested in a **Manager or Managers.**
6. **Managers.** The name and address of the Managers of this limited liability company at the time of formation are:

Flavio Gonzalez 1261 E. Live Oak Dr. Nogales, AZ 85621 Manager	Carol Gonzalez 1261 E. Live Oak Dr. Nogales, AZ 85621 Manager
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7. **Members.** The names and address of each member who owns a twenty percent (20%) or greater interest in the capital or profits of the LLC are:

Flavio Gonzalez 1261 E. Live Oak Dr. Nogales, AZ 85621 Member	Carol Gonzalez 1261 E. Live Oak Dr. Nogales, AZ 85621 Member
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